

Brownfields Cleanup Revolving Loan Fund Pilot

City of Springfield, OH

BACKGROUND

The City of Springfield (population 65,000), located in west-central Ohio, has a rich industrial history dating back to the mid-1800s. The city has fought urban decay ever since absentee owners began closing the doors of local industries nearly four decades ago. The city is slowly rebounding from industry's divestiture, but many abandoned buildings and vacant lots remain within the city's boundaries. These brownfields significantly affect the quality of life in the city. Residents suffer from a poverty rate of 21% and an unemployment rate of 7%, which are significantly higher than state-wide averages. The city has been designated a Distressed Community by the state. Potential purchasers are unwilling to take on the risk of acquiring properties that may have significant environmental liability as a result of past industrial activity.

The city is working to encourage development in traditional industrial areas in order to use existing infrastructure, labor pools, and transportation routes. The city's Brownfields Task Force has been very active in identifying underused sites, inspecting the sites, prioritizing sites for assessment, and seeking funding for cleanup and redevelopment. From an initial list of over 125 sites, 13 high-priority sites have been identified in an effort to focus funding in the most productive directions. Three of these sites have been assessed under the city's Brownfields Assessment Pilot. Demolition on one of the underused facilities has begun using local funds.

BCRLF OBJECTIVES

The goal of the BCRLF Pilot is to provide resources needed for demolition and remediation and to enhance the city's opportunities to leverage private investments. The geographic area for BCRLF eligibility is the entire city, but the initial focus of the BCRLF Pilot will be on the Sheridan/

PILOT SNAPSHOT



Date of Announcement: May 2002

Amount: \$1,000,000

BCRLF Target Area: Sheridan/Kenton Redevelopment Corridor

City of Springfield, OH

Contacts:

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Visit the EPA Region 5 Brownfields web site at: http://www.epa.gov/R5Brownfields/

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:

www.epa.gov/brownfields

Kenton Industrial Corridor Redevelopment Area, which is located on the east side of the city along the Norfolk-Southern rail line. The city has designated the area a Commercial Reinvestment Area. This area also lies within the state Enterprise Zone and is currently under review for an Urban Renewal designation. Both public and private sector borrowers will be eligible for BCRLF loans.

FUND STRUCTURE AND OPERATIONS

The City of Springfield is the cooperative agreement recipient and will serve as the lead agency and site manager. The Springfield Small Business Development Center will serve as the fund manager.

LEVERAGING OTHER RESOURCES

The State of Ohio has recently established a Clean Ohio Fund, which makes \$400 million available for brownfields redevelopment and greenspace protection. The city is working on its application for the first round of Clean Ohio funding. The city plans to establish tax increment financing districts in areas where BCRLF funds are used in order repay loans for remediation efforts. Other funds and incentives are available through various federal, state, and local programs, including the Brownfield Site Cleanup Tax Credit, Voluntary Action Program 166 Direct Loan Program, Water Pollution Control Loan Fund Program, Community Reinvestment Area tax abatements, and job creation tax credits. In addition, the city will make significant contributions of in-kind services.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.